



## **News for Immediate Release**

**July 1, 2020**

### **Office of the Receiver for the City of Chester**

**Chester, PA** – The Office of the Receiver for the City of Chester announces the appointment of Michael T. Doweary as the Receiver for the City of Chester, Pennsylvania. Secretary Dennis M. Davin with the Department of Community & Economic Development (DCED) petitioned Commonwealth Court for the appointment of a Receiver for the City of Chester and on June 22, 2020, Judge J. Andrew Crompton with Commonwealth Court granted the Order making Mr. Doweary Receiver for the City of Chester.

Receiver Doweary has taken the first step and named his team that will assist him with developing and implementing a recovery plan for the City of Chester. The Receiver will be supported by a multi-disciplinary team of professionals assigned to address Chester's financial situation. It will include Campbell Durrant as Counsel, PFM Group Consulting as Financial Advisor, The Kapoor Company as Chief of Staff and Workforce Advisor to the Receiver, Fox Chase Advisors to assist with Operational Audit services, The Quarks Group with Communications and Community Engagement services, and Shilvosky M. Buffaloe Consulting & Resources, LLC, with Economic Development. His team will begin work immediately.

The Receiver's team will bring objectivity and experience to the City of Chester. Each member brings their own area of expertise to address Chester's intricate and unique financial and infrastructure issues, and together their knowledge of municipal finance, workforce, policy and community development will be a great asset to Chester.

Under the Municipalities Financial Recovery Act (Act 47), as amended, the Receiver is responsible for working with city officials and stakeholders to develop a solvency plan for the fiscal recovery of the City of Chester. Great resources are being assigned to the city through this team but it's extremely important that city officials and stakeholders be committed to working together to make the tough decisions to get the City of Chester back on its feet.

Receiver Doweary noted, "My team and I will work hard to help Chester make the necessary and vital changes that are essential to bring this great city back to fiscal stability." In the coming weeks, the Receiver's team will be developing a recovery plan under Section 702 (3) (4) of Act 47, and submit the recovery plan to Commonwealth Court, the Secretary of DCED, Chester City Council, and the Mayor. Commonwealth Court will conduct a hearing on the recovery plan within 30 days of the receipt of the plan from the Receiver. The court then has up to 60 days to confirm the plan.

Mr. Doweary received his Bachelors of Science in Finance from Pennsylvania State University and his Master's in Business Administration (MBA) in Financial Management from York College. Mr. Doweary has been an Enrolled Agent with the Internal Revenue Service since 2009 and is currently completing the final stages towards his CPA. While serving as the City of York's Business Administrator, Mr. Doweary established fiscal policies and procedures for all city departments in conjunction with implementing a new financial management system. He served on the pension board, York Adams Tax Bureau Board, supported The Intermunicipal Sewer Authority, and the 5 Cities quarterly meetings. As the Director of Administration for Capital Region Water he managed the overall administrative operations, developed and implemented organizational strategies and polices.

The Receiver recognizes the challenges that are in front of him and looks forward to working with his team, city officials, and stakeholders to make Chester a vibrant city again. Mr. Doweary's introductory statement is found below.

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City of Chester.

My name is Michael Doweary. Governor Wolf has appointed me to be the Receiver for the City of Chester, and Judge Crompton of the Pennsylvania Commonwealth Court has confirmed my appointment. Only one other city in Pennsylvania has entered receivership, and it did so under very different circumstances than we face here in Chester.

Many of you are understandably nervous and concerned about what receivership will mean to Chester as a whole, and also to you and your families. I want to provide my perspective, and explain where I'm coming from, how we can engage in constructive dialogue, and what I plan to do.

Let me start with some basic facts:

- Barring an unforeseen change, Chester will struggle to pay its bills and its employees for the rest of the year, and it is at-risk to run out of cash before the year is over;
- The police pension is close to depleted, with only a couple of more months until it runs out of money to make payments to retired officers.

Chester has been in state oversight for over 25 years. Bill Clinton was the President when that occurred. COVID-19 only increased the terrible financial position of the City.

But I am not just concerned about the financial state.

Chester's murder rate is among the highest in the state. Several children were shot and killed this year, and we are only halfway through 2020. Our youth poverty rate is among the highest in the State. Almost half of our, your - Chester's kids live below the poverty line.

All of this must change. The children and the families of Chester deserve the same opportunities that any other Pennsylvanian child and family have.

There is no one clear answer on a way out. I do not have any preconceived ideas about actions to take, and everything is on the table. My decisions will be made based on the answer to this question: Is it in the best interest of Chester residents?

I am not alone in this. Everyone on the team is committed to the same goal, serving the interests of the residents of Chester. There is no fanfare in the position that we find ourselves in, yet, our intention is to position the City for success.

In the coming weeks and months, we will be developing a plan to get Chester out of receivership and put it back on its feet. As I mentioned previously, everything is on the table. We will start by listening, and we will be meeting many people, including spending time with residents and various stakeholder community groups. We will need your help, and we will need the help of others. We realize the challenge that is in front of us, and I look forward to working with you to address it.

Thank you.

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